(b) to (d) As per the recommendation of Twelfth Finance Commission (TFC), Government of India decided to discontinue earlier practice of providing Central loan assistance for financing States' Annual Plan including Accelerated Irrigation Benefit Programme (AIBP), from 2005-06. Government of India only provides grant component from 2005-06. Grant amounting to Rs. 183.80 crore in 2005-06 and Rs. 49.01 crore in 2006-07 was provided to the Government of Madhya Pradesh for AIBP. In the last two years, Government of Madhya Pradesh has not indicated to Government of India any difficulty in raising loan from the market.

Increase in priority sector lending to minorities

965. SHRI MAHENDRA MOHAN: Will the Minister of FINANCE be pleased to state:

(a) whether Government have decided to increase priority sector lending to minority from 9 to 15 per cent in three years;

(b) if so, the details thereof;

(c) whether State owned Public Sector Banks will also be following same guidlines;

(d) how much credit has been given to minorities, SCs, STs and OBCs. separately in the past one year; and

(e) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) and (b) Yes, Sir. Government has decided that efforts be made for stepping up Priority Sector Lending to minorities from the present level of 9% to 15% over a period of three years.

Pursuant to the PM's new 15-Point Programmes for the Welfare of Minority Communities, Reserve Bank of India (RBI), has issued a revised circular dated 18.05.2007 to the banks including minority communities under the heading "Weaker Sections" under Priority Sector Lending.

In their Consolidated Master Circular on lending to minorities dated 5.07.2007, the RBI has also advised the banks to take care to ensure that minority communities secure in a fair and adequate measure, the benefits flowing from various Government sponsored special programmes. The master circular *inter-alia* envisages creating a separate cell in each bank to ensure smooth flow of credit to minority communities.

(c) All Scheduled Commercial Banks are required to follow the guidelines issued by the RBI regarding credit to minorities.

(d) and (e) Credit given to the members of minority communities and SCs/STs under Priority Sector Advances are as under:

(Amount Rs. in crores)

Year Ending	Priority Sector Advances (PS)	Credit to Minority Communities	Credit to SCs/STs
March 2006	5,16,334.78	45,490.60	20.661.59

The RBI does not collect data in respect of OBCs

Purchase of shares of Oswal Agro Mills Ltd.

966. SHRI RAJNATH SINGH: Will the Minister of FINANCE be pleased to refer to answer to Unstarred Question No. 3565 given in the Rajya Sabha on 8th May, 2007 and state:

(a) the names of the companies who have shown interest in purchase of shares of Oswal Agro Mills Ltd.;

(b) the dates on which proposals from these companies were received;

(c) the details of the deliberations of the investment committee on these proposals;

(d) the precise reasons for the continued delay in acceptance of these proposals;

(e) the actual and notional loss incurred by L1C due to delay in acceptance of these proposals, alongwith the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) and (b) The Life Insurance Corporation of India (L1C) has reported that it is in receipt of the following 3 proposals for acquiring the shares of M/s Oswal Agro Mills Ltd. on the dates shown against each :—

Name of the Company	Date of letter of proposal
Bhagyashree Leasing and Finance Ltd.	05.02.2007
Centrum Capital Ltd.	30.10.2006
Chandrika Traders Ltd.	Letter with no date received by LIC on 20.11.2006

(c) LIC has reported that it has put in place a system by which all proposals for sale of illiquid/unlisted shares are referred to a Committee of Senior Officers for taking decisions on sale of each shares. In case, the proposal is found acceptable by the said Committee of Officers, such proposal is referred to the Investment Committee for advice. The Committee of Senior Officers examined the above mentioned 3 proposals and did not find the offered price acceptable.

(d) LIC has reported that the Committee of Senior Officers noted that the M/s Oswal Agro Mills Ltd. in its Directors Report of Annual Report of Accounts for the year ended 31st March, 2006 had mentioned that it had decided to enter into high growth business segment such as real estate development, paper, chemicals and petroleum, etc. Further, the company has informed LIC by letter dated 24.05.2007 that